

BEFORE THE RECEIVED

TENNESSEE PUBLIC SERVICE COMMISSION

02 OCT 17 00 11 50

In the Matter of:

TN REGULATORY AUTHORITY
DOCKET ROOM

JOINT APPLICATION OF)
VOICECOM TELECOMMUNICATIONS, LLC,)
VOICECOM TELECOMMUNICATIONS, INC.,)
AND PREMIERE COMMUNICATIONS, INC.)
FOR APPROVAL OF ACQUISITION OF)
ASSETS AND FOR ASSIGNMENT OF)
AUTHORIZATION)

DOCKET NO. 02-01167

**JOINT APPLICATION FOR ACQUISITION OF ASSETS
AND ASSIGNMENT OF AUTHORIZATIONS**

COME NOW VOICECOM TELECOMMUNICATIONS, LLC ("VTL"),
VOICECOM TELECOMMUNICATIONS, INC. ("VTI"), and PREMIERE
COMMUNICATIONS, INC. ("PCI") (collectively the "Applicants"), and hereby
respectfully request approval for the acquisition of certain assets and for the assignment
of an authorization to provide intrastate, long distance telecommunications services
within the State of Tennessee, as described herein. In support of this Joint Application,
the Applicants hereby state as follows.

I. DESCRIPTION OF THE APPLICANTS

1.

PCI, a Florida corporation, is headquartered at 3399 Peachtree Road, NE, Suite
700, Atlanta, Georgia 30326. PCI is a non-facilities based reseller of post-paid telephone
calling card services. PCI is certificated or authorized to provide intrastate, long distance
services in Tennessee and in approximately 46 other states.¹

¹ Certificate of Convenience and Necessity, Case No. 95-03352 (Aug. 14, 1996)

2.

VTL is a Delaware limited liability company headquartered at 3399 Peachtree Road NE, Suite 600, Atlanta, Georgia 30326. VTL is a newly formed entity organized for the purpose of providing telecommunications products and services to companies competing in the global telecommunications marketplace. VTL does not currently provide, nor is VTL authorized to provide, intrastate telecommunications services within the State of Tennessee.²

3.

VTI is a Delaware corporation headquartered at 6260 Lookout Road, Boulder, Colorado 80301. VTI owns 100% of the membership interests of VTL.

II. DESCRIPTION OF TRANSACTION

4.

On March 25, 2002, the Applicants, along with several other entities affiliated with PCI, entered into a series of agreements in connection with the transaction described herein. Generally, VTL, PCI, and PCI's affiliates first entered into a Contribution Agreement, whereby PCI and its affiliates transferred certain information service-related assets and certain liabilities to VTL in return for which PCI and PCI's affiliates acquired membership interests of VTL. Immediately thereafter, the Applicants and PCI's affiliates entered into a Membership Interests Purchase Agreement whereby VTI purchased from PCI and PCI's affiliates all of the membership interests of VTL during an initial closing. Under the Membership Interests Purchase Agreement, the Applicants and PCI's affiliates agreed to conduct a final closing, following receipt of all necessary regulatory approvals, whereby PCI will transfer and VTL will acquire certain of PCI's telecommunications

assets, including, *inter alia*, customer rights, authorization codes, intellectual property rights, and authorizations to provide intrastate, long distance telecommunications services. The initial closing was completed on March 26, 2002.³

5.

Upon the consummation of the final closing, which is intended to occur only after receipt of all necessary regulatory approvals, VTL shall acquire from PCI ownership of certain telecommunications assets, including the state regulatory authorizations and certificates to provide intrastate, long distance telecommunications services. After the final closing, VTL will provide long distance services to customers in Tennessee. PCI, on the other hand, will cease offering or providing intrastate, long distance telecommunications services in Tennessee.

III. VTL'S QUALIFICATIONS

6.

VTL possesses all financial, managerial and technical qualifications necessary to acquire and to operate the assets of PCI as described herein. Specifically, VTL's qualifications are described as follows.

7.

A. Corporate Information. VTL's correct name and address are:

Voicecom Telecommunications, LLC
3399 Peachtree Road, NE, Suite 600
Atlanta, GA 30326
(404) 262-8474

² Additional information regarding VTL is attached hereto at Exhibit "A".

³ Copies of the Contribution Agreement and Membership Interests Purchase Agreement shall be provided upon request, as Exhibit "B".

VTL, a Delaware limited liability company, has filed an application for qualification to transact business in the State of Tennessee. A copy of VTL's Application for a Certificate to the Tennessee Secretary of State is attached hereto as Exhibit "C".

8.

B. Description of Proposed Services. VTL proposes to utilize the acquired assets to resell switched, intrastate, long distance (interLATA and intraLATA toll) voice communications services of certificated common carriers (*e.g.*, AT&T Corp. and WorldCom, Inc.) for the purpose of providing post-paid calling card services throughout the entire State of Tennessee. VTL will not own, control or install any transmission facilities, but instead will utilize the existing equipment and facilities of one or more of the above-described carriers.

9.

VTL intends to bill its customers directly for long distance telecommunications resale services. The charges, based upon the rates which will be set forth in VTL's tariff, and its toll free telephone number for customer assistance will all appear on monthly customer statements. In addition, customers may contact VTL's customer service representatives regarding a broad range of service matters, including: (i) the types of services offered by VTL and the rates associated with such services; (ii) monthly billing statements; and (iii) problems or concerns pertaining to the customer's current service. VTL's customer service representatives will be available to assist customers twenty-four hours per day, seven (7) days per week.

10.

C. **Technical and Managerial Capability.** VTL is led by a highly qualified team of management personnel who have the requisite technical, financial and managerial experience to provide long distance telecommunications resale services in Tennessee. Further, *the management team is comprised of essentially the same personnel of PCI that have managed these assets for a number of years.* Brief biographical statements concerning each of VTL's management personnel are attached hereto as Exhibit "D".

11.

D. **Financial Capability.** As a wholly-owned subsidiary of VTI, VTL has the assurance of its parent that it will be provided the financial resources necessary to operate its telecommunications resale business in a continuous manner. A copy of the Balance Sheet of VTI is attached hereto as Exhibit "E".

12.

E. **Compliance With Laws.** VTL has not been denied authority to provide intrastate telecommunications services in any state and has not been subject to any regulatory penalties for violation of state or federal telecommunications statutes, rules or regulations (*e.g.*, slamming). By submitting to the Commission's jurisdiction for approval to acquire the assets and to assign the authorization discussed herein, VTL hereby asserts its willingness and ability to comply with all rules and regulations that the Commission may impose subject to Tennessee laws as now or hereafter enacted.

IV. CONFIDENTIALITY

13.

Exhibit "B" and "E" contain commercial information which is proprietary due to the highly competitive nature of the telecommunications marketplace. The Applicants deem these exhibits to be proprietary. Accordingly, these exhibits are being submitted to the Commission subject to confidential treatment.

V. PUBLIC INTEREST, CONVENIENCE AND NECESSITY

14.

Commission approval of VTL's acquisition of PCI's assets is in the public interest. The infusion of PCI's assets into VTL will allow VTL to compete in the Tennessee market for long distance telecommunications services. Tennessee consumers will benefit from the availability of increased long distance telecommunications products and service options.

VI. REGULATORY/LEGAL COMMUNICATIONS AND CORRESPONDENCE

15.

The name and address of PCI's attorney in this matter is:

Charles A. Hudak, Esq.
Friend, Hudak & Harris, LLP
Three Ravina Drive, Suite 1450
Atlanta, Georgia 30346-2131
Tel: 770-399-9500
Fax: 770-395-0000

The name and address of VTL's and VTI's regulatory counsel in this matter is:

George O. Rebensdorf
The Rebensdorf Group, Inc.
30211 Avenida de las Banderas
Rancho Santa Margarita, California 92688
Tel: 949-766-6710
Fax: 949-766-6711

VII. CONCLUSION

16.

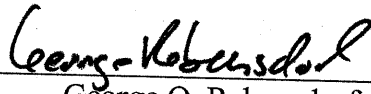
WHEREFORE, the Applicants respectfully request that this Commission:

- (1) Issue an order approving the transaction described in this Joint Application in all respects, including without limitation PCI's sale, and VTL's acquisition of, the assets as described herein or in the exhibits attached hereto;
- (2) Issue an order approving the assignment of PCI's existing authorization to VTL; and
- (3) Grant any other and additional relief that the Commission may deem just and proper.

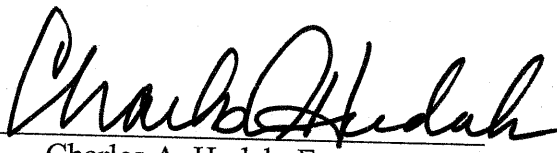
Respectfully submitted this 15 day of August, 2002.

Signatures on next page

Voicecom Telecommunications, LLC ("VTL")
and
Voicecom Telecommunications, Inc. ("VTI")

By 
George O. Rebensdorf
The Rebensdorf Group, Inc.
30211 Avenida de las Banderas
Suite 200
Rancho Santa Margarita, CA 92688
Regulatory Counsel for VTL

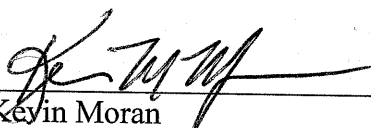
Premiere Communications, Inc. ("PCI")

By 
Charles A. Hudak, Esq.
Friend, Hudak & Harris, LLP
Three Ravina Drive, Suite 1450
Atlanta, GA 30346-2131
Counsel for PCI

VERIFICATION

STATE OF GEORGIA)
)
COUNTY OF FULTON)

I, Kevin Moran, hereby declare under penalty of perjury, that I am President of Voicecom Telecommunications, LLC. ("VTL") and Voicecom Telecommunications, Inc. ("VTI"); that I am authorized to make this verification on behalf of VTL and VTI; that I have read the foregoing Application; and that the facts stated therein are true and correct to the best of my knowledge, information, and belief.



Kevin Moran
Voicecom Telecommunications, LLC
Voicecom Telecommunications, Inc.

Sworn to and subscribed before me this 5th day of August, 2002.



Notary Public

My Commission expires:

May 16, 2006



VERIFICATION

STATE OF GEORGIA)
)
COUNTY OF FULTON)

I, James S. Thomas, Jr., hereby declare under penalty of perjury, that I am Vice President - Legal of PTEK Holdings, Inc.; that Premiere Communications, Inc., ("PCI") is a wholly owned subsidiary of PTEK Holdings, Inc.; that I am authorized to make this verification on behalf of PCI; that I have read the foregoing Application; and that the facts stated therein that are applicable to PCI are true and correct to the best of my knowledge, information, and belief.

James S. Thomas, Jr.

James S. Thomas, Jr., Esq.
Vice President - Legal
PTEK Holdings, Inc.
The Lenox Building, Suite 700
3399 Peachtree Road, N.E.
Atlanta, Georgia 30326
Tel: (404) 262-8400

Sworn to and subscribed before me
this 2nd day of August, 2002.

Anne E. Jacobs
Notary Public

My Commission expires:

May 16, 2006

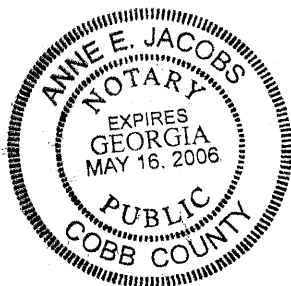


EXHIBIT "A"

ADDITIONAL INFORMATION REGARDING VOICECOM

VTL is a leading provider of integrated communications solutions, with service offerings in messaging, unified communications, call answering, mobile calling, and broadcast voice.

VTL's solutions are designed to meet a diversity of needs in the mobile, SOHO (small office/home office), and enterprise markets, including customer care, interpersonal messaging, and large-scale corporate communications. VTL delivers its solutions across a variety of industries, including financial services, healthcare, government organizations, real estate, and telecommunications.

Operating one of the world's largest privately-owned carrier-grade networks, VTL's messaging services are provided through local numbers in more than 4,500 cities throughout North America. In 2000, VTL processed more than 40 million messages, and handled more than 175 million calls.

VTL maintains a state-of-the-art frame relay network, utilizing Cisco and Extreme Networks products. The Company also hosts voicemail systems in the United Kingdom, Australia, and New Zealand. VTL has adopted an open-standards system architecture approach to maximize system flexibility, which also the company to use any telephony node that is IMAP compliant.

EXHIBIT "B"

ASSET PURCHASE AGREEMENT BETWEEN VTL, VTI, AND PCI
DATED MARCH 25, 2002

[Provided upon request]

EXHIBIT 'C'

**VTL'S APPLICATION FOR A CERTIFICATE OF AUTHORITY TO
TRANSACT BUSINESS IN THE STATE OF**
(APPLICATIONS FOR AUTHORITY TO BE SUPPLIED)

EXHIBIT "D"

**BIOGRAPHICAL STATEMENTS FOR DIRECTORS AND OFFICERS OF
VOICECOM**

Kevin Moran, President

Kevin M. Moran is president of VTL. Mr. Moran joined Premiere in 1995 as Director of Wholesale Service, having over ten years of experience in business development, operations management, and strategic alliance formation. Prior to joining the company, Mr. Moran was a Southern Regional Sales manager with the Williams Companies' subsidiary, Wiltel Network Services, a predecessor of Worldcom, Inc.

Mr. Moran holds a B.S. from the University of Tulsa.

Dan Mell, VP, Chief Financial Officer

Dan Mell is the Chief Financial Officer for VTL. Mr. Mell joined VTL in 1995 as manager of International Business Development, and has sixteen (16) years of experience in the telecommunications industry. Prior to VTL, Mr. Mell held several positions with Nortel Networks in its finance organization.

Mr. Mell holds a Masters of Business Administration degree in Finance and Accounting from McGill University in Montreal, Canada.

Keith Cumming, VP, Finance & Controller

Keith Cummings is the VP of Finance and Controller of Voicecom. Mr. Cummings has fourteen (14) years of experience in the accounting and finance field. Prior to his work with the Company beginning in 1998, Mr. Cummings provided financial and accounting functions for both AT&T and BellSouth. He also worked in the public accounting arena for PriceWaterhouseCoopers.

Mr. Cummings is a Certified Public Accountant, and holds a Masters of Business Administration degree in Finance from Georgia State University in Atlanta.

Jerry Hooks, VP Operations

Jerry Hooks is the VP of Operations for VTL, having responsibility for all Network Operations, as well as technical support. Prior to joining Voicecom, Mr. Hooks served as VP, Customer Support and network Operation Officer for Intermedia Communications, a Worldcom company. Mr. Hooks career has also included various engineering, design technology, operations, and customer service assignments with Vista-United Telecommunications and The Disney Company, spanning 26 years.

Mr. Hooks earned his certificate in Executive Business Management from Rollins College in 1986.

EXHIBIT "E"

BALANCE SHEET OF VTI

Voicecom Balance Sheet

March 25 2002

ASSETS

CURRENT ASSETS:

Cash	-
Marketable Securities	-
Accounts Receivable, Net	6,454,723
Allowance for Doubtful Accounts	(2,125,929)
Deferred Revenue	(712,105)
Prepaid Expenses and Other	456,363
Total Current Assets	4,073,052

PROPERTY AND EQUIPMENT

Property and Equipment	124,078,578
Accumulated Depreciation	(105,617,760)

Property and Equipment, Net	18,460,819
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Other Long-Term Assets

58,181

Other Long-Term Assets	18,519,000
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TOTAL ASSETS

22,592,052

LIABILITIES & SHAREHOLDER EQUITY

CURRENT LIABILITIES:

Accounts Payable	5,515,535
Accrued Expenses	3,488,006
Unearned Revenue	64,751
Line of Credit	1,475,000
Obligations under Capital Lease - Current	2,821,674
LTD Current Portion	1,212,130

Total Current Liabilities	14,577,096
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LONG-TERM LIABILITIES

Term Note	2,787,870
Obligations under Capital Leases	3,453,659

Total Long-Term Liabilities	6,241,529
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TOTAL LIABILITIES

20,818,625

SHAREHOLDERS' EQUITY

Retained Earnings / Paid in Capital	1,773,427
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TOTAL SHAREHOLDER EQUITY	1,773,427
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TOTAL LIABILITIES & EQUITY

22,592,052